## INTERPRETIVE MEMO

## [X] Food Stamp Rule Interpretation

[ ] Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page _	273.9d 1	_ Effective date of this memo	December 1, 2008	Page _ 1
This memo:	[X] is new	[ ] Replaces one dated		

## **ADMINISTRATIVE DIRECTIVE:**

The Food and Nutrition Service of USDA has authorized Vermont to operate a Standard Medical Deduction Demonstration Project statewide for a period of five years from the effective date of December 1, 2008. This is a waiver of section 5(e)(5) of the Food and Nutrition Act of 2008, as amended.

FNS reserved the right to withdraw this waiver approval and terminate the demonstration at any time during its operation if it determines that the project is inconsistent with the SNAP goal of increasing the efficiency of the Program and improving the delivery of SNAP benefits to provide food assistance and to raise levels of nutrition among low-income individuals.

If federal law regarding the excess medical deduction changes during the demonstration, the change(s) will be reflected by revisions to the terms and conditions governing the waiver.

Vermont will establish a \$138 standard deduction from food stamp household income for households with an elderly or disabled member, as defined in 7 CFR 271.2, that incur medical expenses, (excluding special diets) in excess of \$35 per month.

To be eligible for the standard medical deduction, households must verify that they incur more than \$35 per month in qualifying medical expenses.

The standard medical deduction will apply to all eligible households at initial application and at recertification after the project commences.

Participating households will remain eligible for the standard medical deduction at subsequent recertifications if they declare that their medical expenses continue to exceed \$35 per month.

No new reporting requirements for changes in medical expenses will be required. However, households may report new medical expenses that would make them eligible for the standard medical deduction.

Households with medical expenses over \$173 per month may opt to document and claim all medical expenses.

Procedures are at P-2510 E10.